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Legislative Oversight Committee

**Wednesday, November 17, 2021
2:00 pm Blatt Room 321**

Archived Video Available

- I. Pursuant to House Legislative Oversight Committee Rule 6.7, South Carolina ETV was allowed access for streaming the meeting. You may access an archived video of this meeting by visiting the South Carolina General Assembly's website (<http://www.scstatehouse.gov>) and clicking on *Committee Postings and Reports*, then under *House Standing Committees* click on *Legislative Oversight*. Then, click on *Video Archives* for a listing of archived videos for the Committee.

Attendance

- I. The Healthcare and Regulatory Subcommittee meeting was called to order by Chair John Taliaferro (Jay) West on Wednesday, November 17, 2021, in Room 321 of the Blatt Building. Representative Timothy A. "Tim" McGinnis participated virtually in the meeting. Chair West participated in person.

Minutes

- I. House Rule 4.5 requires standing committees to prepare and make available to the public the minutes of committee meetings, but the minutes do not have to be verbatim accounts of meetings.

Discussion of State Accident Fund

- I. Chair West placed the following personnel from the State Accident Fund under oath:
 - a. Justin Plummer, Director of Information Technology (in person).
- II. Chair West reminded agency personnel participating in the meeting that they remained under oath. The following agency personnel, previously sworn in, were in attendance:
 - a. Erin Farthing, Acting Director (in-person);
 - b. Matthew Hansford, Deputy Director (in-person);
 - c. Meredyth Harden, Assistant Director of Claims (in-person);
 - d. Abby Sellers, Director of Financial Services (in-person);
 - e. Kirk Adair, Senior Premium Auditor (in-person);
 - f. Meggan Damiano, Director of Insurance Services (in-person)
 - g. Debra Dozier , UEF Director of Claims (virtual);
 - h. Jason Audette, Inspector General (virtual); and
 - i. Troy Hubbard, Safety and Loss Control Specialist (virtual).
- III. Deputy Director Hansford provided an overview of the agency's performance measures. Topics discussed include:
 - a. Performance measure #1 (annual policyholder survey);
 - b. Performance measure #2 (percentage of non-state policyholder who continued coverage);
 - c. Performance measure #3 (number of claim fines received);
 - d. Performance measure #4 (average medical cost per claim received);
 - e. Performance measure #5 (average indemnity cost per claim received);
 - f. Performance measure #6 (administrative cost ratio);
 - g. Performance measure #7 (percent of premium billed past due more than 90 days);
 - h. Performance measure #8 (percentage of savings compared to total annual claim credit);
 - i. Performance measure #9 (recoveries as a percentage of total annual claim costs); and
 - j. Performance measure #10 (percent increase of net assets compared to prior year)
- IV. Acting Director Farthing provided an overview of the agency's successes, challenges, and emerging issues. Topics discussed include:
 - a. Agency successes (staffing; improvements in claims handling process; mediation; and COVID-19);
 - b. Agency challenges (new system selection and implementation; hiring experienced staff; medical provider availability; COVID-19; and remaining a self-sustaining agency);and
 - c. Agency emerging issues (staff retention; technology and data security; medical marijuana; and COVID-19)
- V. Director of Financial Services Sellers discussed the following topics related to organizational units:

- a. Accounting department; and
- b. Human resources.

VI. Director of Insurance Services Damiano discussed the following topics related to organizational units:

- a. State Accident Fund claims department; and
- b. Uninsured Employer's Fund Claims department.

VII. Subcommittee members ask questions relating to the following:

- a. Performance measures;
- b. Employees (vacancy rates and telecommuting);
- c. Cost of new system implementation;
- d. Accounting department metrics;
- e. Employee exit interviews;
- f. Training of employees;
- g. Volume of scanned documents annually;
- h. Purpose for tracking types of documents;
- i. Weekly indemnity benefit process timeframe;
- j. Any incentivization of productivity; and
- k. Agency restructuring.

Agency staff respond to the members' questions.

Adjournment

- I. There being no further business, the meeting was adjourned.